



Santa Barbara – Ventura Counties FSA NEWS

November 2007
Newsletter 3
USDA Service Center

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Hours:
Monday - Friday
8:00 a.m. - 4:30 p.m.

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Kerry Brooks (LAA#2)
Tom Thompson (LAA#3)
Daniel Naumann (LAA#4)
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LIVESTOCK COMPENSATION PROGRAM (LCP)

Overview

The U.S. Department of Agriculture's Farm Service Agency (FSA) Livestock Compensation Program 2005-2007 (LCP) provides benefits to livestock and catfish producers who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between Jan. 1, 2005, and Feb. 28, 2007, including losses because of blizzards that started in 2006 and continued into January 2007. Livestock producers may elect to receive compensation for losses in the calendar year 2007 grazing season that are attributable to wildfires occurring during the applicable period, as determined by the U.S. secretary of agriculture. The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes LCP. President Bush signed the 2007 Act into law on May 25, 2007. The 2007 Act charges USDA with implementing LCP. LCP provisions are similar to those administered under the 2005 Hurricanes Livestock Compensation Program implemented in 2006.

Eligible Counties

Producers in primary or contiguous counties declared secretarial disaster areas or counties declared presidential disaster areas between Jan. 1, 2005, and Feb. 28, 2007, are eligible. Also, producers in primary counties (and contiguous counties) that received an approved Administrator's Physical Loss Notification (APLN), when the APLN is directly associated to a natural disaster designated by President Bush, are eligible. A list of counties eligible for LCP may be found at: <http://disaster.fsa.usda.gov>.

Eligible Livestock

To be eligible under LCP, livestock must: be dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine or deer that; have been physically located in an eligible county on the beginning date of the applicable disaster period; have been maintained for commercial use as part of a farming operation on the beginning date of the disaster period and not have been produced and maintained for reasons other than commercial use as part of a farming operation. Such excluded uses include, but are not limited to, wild free roaming animals or animals used for recreational purposes such as pleasure, hunting, pets, roping or for show.

Eligible Producers

To be eligible for LCP, producers must have: either owned or cash-leased eligible livestock (but not both for the same livestock) on the beginning date of the applicable disaster period(s); and suffered an eligible feed loss from produced or purchased forage or feedstuffs, or incurred additional feed costs as a result of an eligible disaster event(s) during the applicable disaster period(s) and the feed lost or additional incurred feed costs were intended for use with eligible livestock.



Sign-up

Sign-up for LCP begins Sept. 10, 2007. Livestock producers must submit applications in their administrative county FSA office.

Applying for LCP

Livestock producers applying for LCP must submit the following: a completed application in their administrative county FSA office; adequate proof, as determined by FSA, that the feed loss or incurred additional feed costs: □ were for the claimed eligible livestock; □ occurred as a direct result of an eligible disaster event(s) during an eligible disaster period(s) in the calendar year for which benefits are being requested; □ other supporting documentation necessary to determine the applicant's eligibility. Supporting documents may include, but are not limited to, verifiable purchase records, veterinarian records, bank or other loan papers, rendering truck receipts, Federal emergency Management Agency records, National Guard records, written contracts, production records, Internal Revenue Service records, property tax records, private insurance documents, sales records, and similar documents.

National Payment Rates

The following provides the per head LCP national payment rates for Beef:

Quantity Loss Worksheets

Kind of Livestock	Type	Weight Range	Payment Per Head
Beef	Adult	Cows and Bulls	\$10.66
	non-Adult	500 lbs or more	\$8.00

2005 – 2007 Crop Disaster Program (CDP)

CDP provides benefits to farmers who were prevented from planting a crop or suffered quantity and quality losses from natural disasters and related conditions, such as freeze, drought, excessive moisture, hail, excessive wind, or excessive heat. Legislation for this program was included in the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007."

General Information

- Must be insured or covered by FSA's NAP Program for the year of loss
- Signup Period: October 15, 2007 to a date to be announced. Contact your County FSA Office to make an appointment.
- One of the crop years: 2005 – 2007. (2007 crops only eligible if planted before February 28, 2007.)

Crop Insurance / NAP Requirement

Only producers who obtained federal crop insurance coverage (including CAT) or Noninsured Crop Disaster Assistance Program (NAP) coverage for the year of loss will be eligible for CDP benefits.

Payment Limitation

Farmers may receive a maximum of \$80,000 in CDP benefits. Assistance, together with any crop insurance or NAP payment received for the same crop and including the value of the production not lost, must not exceed 95% of the total value absent the disaster.

Quantity Loss Payments

Producers must have suffered quantity losses in excess of 35 percent. For most crops, the calculation will compare the production amount to the higher of the county yield or the producer's actual production history. The amount of loss in excess of 35% will be eligible for quantity payments at 42% of the payment rate.

Quality Loss Payments

In addition to quantity loss payments, payments for quality reductions due to eligible conditions in excess of 25% may be provided. Producers may submit their marketing contracts to establish a higher payment rate for the production sold pursuant to the contract. To receive quality payments, producers must suffer an economic loss to quality-affected production of at least 25% of the expected value.

Average Adjusted Gross Income Provision

An individual or entity shall not be eligible if **both** of the following apply:

- The three year average of the adjusted gross income (AGI) for the individual or entity exceeds \$2.5 million;
- Less than 75 percent of the average AGI is derived from farming, ranching or forestry operations.

Application for Benefits

You **must** complete or submit the following forms and documentation before the end of signup:

- FSA-840, computer-generated application
- Production records
- Marketing Contracts (optional)
- Other information as requested by the County FSA Committee or required by program procedures

Additionally, the following forms may need to be submitted if not already on file for the applicable crop year:

- CCC-526, Average AGI Certification
- CCC-502, Farm Operating Plan
- AD-1026, Highly Erodible Land Conservation and Wetland Conservation Certification.

Emergency Farm Loans

The secretary of Agriculture has declared major weather related disasters in the State of California, covering damages and losses for 18 Primary counties and 29 contiguous Counties.

<u>Date of Declaration</u>	<u>Designation Code</u>	<u>Disaster Description</u>	<u>Final Date to Apply</u>
Mar 13, 2007	M1689	Freeze	Nov 13, 2007
Mar 21, 2007	S2505	Freeze	Nov 21, 2007
Apr 20, 2007	M1689	Freeze	Dec 20, 2007
May 9, 2007	S2512	Drought	Jan 09, 2008
Oct 24, 2007	M1713	Wild Fires	Jun 24, 2008

To have qualifying losses, applicants must have suffered a severe physical or production loss directly related to the above cited causes. For more information contact the FSA Farm Loan team at (805) 928-9269 ext: 2.

Emergency Conservation Program (ECP)

The objective of ECP is to provide cost share assistance to agricultural producers who have suffered severe damage to their farmland as a result of a natural disaster. The damage must be of such magnitude that it would be too costly for the producer to rehabilitate without federal assistance. Items to note: Cost share levels will not exceed 75%, a minimum restoration cost of \$1000 is required to qualify for ECP and onsite inspections are required prior to approval.

The following natural disasters are eligible for ECP:

- **2006 Shekell Fire-** Please contact us if your farming operation suffered damages due to this fire. Sign-ups will begin November 12, 2007 and the sign-up end date will be at close of business January 10, 2007. Approved practices for this program are EC-1 Debris Removal, EC-2 Land Shaping and leveling, EC-3 Fencing (note: cattle fencing only! Not boundary fences. The total eligible will be adjusted depending on the age of the fence) and EC-4 Conservation structures.
- **2007 Abnormal Heavy Pruning Due to the Freeze-** Sign-ups for the 2007 freeze: abnormal debris removal for Avocado and limited citrus damage will begin November 1, 2007 continuing for 60 days and closing at close of business December 31, 2007. CA State office has stipulated that all pruning activity and debris removal actions be completed by the end of the sign-up period in order to participate in the program. Extensions will not be granted. The approved practice and maximum pay rate for this program is EC-1 Abnormal Heavy Pruning with Debris Removal with a 75% cost share not to exceed \$250/acre. Please call us to make an appointment.



Farm Service Agency
Santa Maria County Office
920 E. Stowell Rd.
Santa Maria CA. 93454

IMPORTANT DATES

December 15, 2007	Deadline to insure Almonds, Apples, Apricots, Asparagus, Cranberries, Cherries Kiwi, Mint, Nectarines, Olive, Peaches, Pears, Persimmons, Pistachios, Plums, Pomegranate, Rye Grain
November 13, 2007	Deadline to Apply for Emergency Loan Designation M1689 for the Freeze
November 21, 2007	Deadline to Apply for Emergency Loan Designation S2505 for the Freeze
December 20, 2007	Deadline to Apply for Emergency Loan Designation M1689 for the Freeze
January 1, 2008	Deadline to insure Avocados that aren't insurable by private insurance and any type of Avocados that's 5 years old or less
January 1, 2008	Deadline to insure Citrus: Oranges, Lemons, Limes, Tangelos, Grapefruit that aren't insurable by private insurance and any type of citrus that's 5 years old or less.
January 9, 2008	Deadline to Apply for Emergency Loan Designation S2512 for the Drought
June 24, 2008	Deadline to apply for Emergency Loan Designation M1713 for the Fire

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